



U.S. Department of Justice

United States Attorney
Eastern District of New York

JHK:DCL:MMO

610 Federal Plaza
Central Islip, New York 11722

January 31, 2020

Honorable Joseph F. Bianco
United States Circuit Judge
Court of Appeals for the Second Circuit
Long Island Federal Courthouse
Central Islip, New York 11722

Re: United States v. Kenner and Constantine
No. CR-13-607 (S-2) (JFB)

Dear Judge Bianco:

This letter is respectfully submitted pursuant to the Court's January 30, 2020 Order to provide the Court with a revised forfeiture money judgment chart for Defendant Phillip Kenner ("Kenner") that includes only the following frauds: the Global Settlement Fund ("GSF"), the Victims' Lines of Credit, the Victims' Hawaii Investment Money, the Eufora Frauds and the Centrum Loan Fraud. In addition, as described below, the Government respectfully submits revised forfeiture money judgment calculations to correct double counting in previously filed charts.

I. Forfeiture Money Judgment Calculation for Kenner

The chart below provides a revised forfeiture money judgment calculation for Kenner that includes only the following frauds: the GSF, the Victims' Lines of Credit, the Victims' Hawaii Investment Money, the Eufora Frauds and the Centrum Loan Fraud.

<u>Forfeitable Asset</u>	<u>Proceeds/ Property Involved In</u>	<u>Deductions to Prevent Double Counting</u>	<u>Money Judgment Amount</u>
GSF	\$ 3,130,000.00	\$ 615,147.00	\$ 2,514,853.00
Victims' Lines of Credit	\$ 9,851,542.00	\$ 700,000.00	\$ 9,151,542.00
Victims' Hawaii Investment Money	\$ 2,415,000.00	-	\$ 2,415,000.00
Eufora Frauds	\$ 1,625,000.00	-	\$ 1,625,000.00
Centrum Loan Fraud	\$ 3,500,000.00	\$ 1,500,000.00	\$ 2,000,000.00
Total	\$ 20,521,542.00	\$ 2,815,147.00	\$ 17,706,395.00

II. Corrections to the Government's Requested Forfeiture Money Judgment Calculations for Constantine and Kenner

In preparing the above chart limited to specific frauds, the Government realized that versions of the previously submitted charts did not incorporate certain double-counting deductions. Specifically, the Government's requested forfeiture amounts as to Constantine and Kenner, *see* Docket Entry ("DE") 795 at Sections II and III, should both be reduced by: (i) \$13,901.59, to avoid a double counting of proceeds attributable to the Peca Palms Unit; and (ii) \$15,000, to avoid a double counting of proceeds attributable to the Moreau Palms Units calculation. These amounts of proceeds were accounted for in the Eufora Fraud calculation. *See* Government's Memorandum, DE 401, at pp. 39, 43-44, 57-58; *cf.* DE 795 (Sections II and III).

In addition, in the Government's requested forfeiture money judgment amount as to Kenner, *see* DE 795 at Section III, the amount should be reduced by an additional \$50,000 to avoid a double counting of proceeds attributable to the Moreau Palms Units calculation, as this amount of proceeds was accounted for in the line of credit calculation. *See* Government's Memorandum, DE 401, at pp. 40-41; *cf.* DE 795 (Section III).

Accordingly, the Government brings this to the Court's attention solely to correct the filings previously submitted and will provide corrected charts to the extent the Court deems necessary.¹

Thank you for Your Honor's consideration of this submission.

Respectfully submitted,

RICHARD P. DONOGHUE
United States Attorney

By: /s/ Madeline O'Connor
Madeline O'Connor
Diane C. Leonardo
Assistant U.S. Attorneys
(631) 715-7870
(631) 715-7854

cc: Philip Kenner, by mail
All counsel of record by ECF

¹ The forfeiture money judgment calculation for Constantine provided in Section I of the Government's letter to the Court dated January 29, 2020 does not require any recalculations.